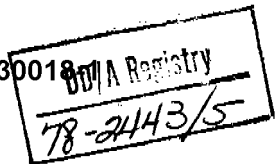
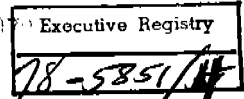


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GSA Declassification/Release Instructions on File

OEC 78-5420
8-17-78

16 AUG 1978



MEMORANDUM FOR: Director of Central Intelligence

VIA: Deputy Director of Central Intelligence
General Counsel
Legislative Counsel
Comptroller

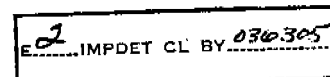
FROM: John F. Blake
Deputy Director for Administration

SUBJECT: Impact of Public Buildings Act (Prospectus)
on Acquisition of Space (U)

1. (U) Action Requested: It is requested that you sign and direct the attached letter to the Chairmen of the House and Senate Appropriations Committees.

2. (U) Background and Staff Position:

a. On 17 July 1978, Administrator Solomon of the General Services Administration (GSA) acceded to repeated requests and authorized the acquisition of leased space in the Metropolitan Washington Area (MWA) (see Attachment 1). However, this authorization was coupled with the requirement that the acquisition be effected in accordance with the provisions of the Public Buildings Act of 1959, as amended. This requires the preparation of a detailed prospectus in coordination with GSA, approval to proceed from the Office of Management and Budget (OMB), and, finally, authorization from the Public Works Committees in both houses of Congress. This process can take from 12 to 18 months to accomplish (with no guarantee of obtaining authorization to proceed) and only when it is successfully concluded will GSA begin the actual process of acquisition (market analysis, solicitations, etc.). This latter process normally takes another 9 to 12 months before a lease is actually signed and to this must be added at least 6 months for alterations. Assuming it will take 3 months just to prepare the prospectus, we, therefore, face a 30-month delay before significant relief from our space problems can be realized.



Unclassified when
separated from
attachment

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SUBJECT: Impact of Public Buildings Act (Prospectus) on Acquisition of Space (U)

b. The history of this specific acquisition can be traced to 12 December 1975 when the Chief, Real Estate and Construction Division, Office of Logistics, forwarded a Standard Form 81 (see Attachment 2) to GSA requesting 88,000 square feet of additional space. This particular request was tailored to acquisition of the remaining third of the [REDACTED] Building. Thirty-two months have passed and subsequent Standard Form 81's were forwarded as dictated by changing circumstances ([REDACTED] management refused to lease the remaining space). Intermittently throughout the period, a moratorium on the acquisition of space was imposed, thus stalling all acquisition efforts.

c. Notwithstanding the moratorium, the Agency continued to plan for the eventual acquisition as evidenced by the various budget submissions, both going from the Office of Logistics (OL) to the Comptroller and ultimately from the Comptroller to Congress. The audit trail commenced in August 1975 when the Director of Logistics forwarded his FY 1977 budget estimates for the Federal Buildings Fund to the Comptroller (see Attachment 3). Subsequently, the Comptroller's submission to OMB for FY 1977 carried forward OL's estimate of \$1.091 million for the acquisition (see Attachment 4). As a result of OMB's review, the budget submission to the Congressional Appropriations Committees was reduced and reflected a request for \$935,000 to fund the acquisition (see Attachment 5). DCI Bush, in an appearance before the House Appropriations Committee on 1 April 1976, was queried by Chairman Mahon concerning this line item in the budget (see Attachment 6) and justified the requirement.

d. There is little doubt that the acquisition was authorized and funds appropriated by Congress in FY 1977. Because acquisition was considered feasible and imminent, the requirement, as a distinct line item in the budget, was dropped in succeeding fiscal years. However, the requirement was carried over as a firm requirement in internal Agency budget documents (see Attachment 7 for OL's FY 1979 forecast) and to Congress by the Comptroller (see Attachment 8). The fundamental difference between the FY 1977 submission and those of succeeding years is one of format. Rather than reflecting a separate dollar amount in the "Expansion" column as was done in FY 1977, the requirement was lumped into the total needed to reimburse the Federal Buildings Fund under the Standard Level User Charges (SLUC).

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SUBJECT: Impact of Public Buildings Act (Prospectus) on Acquisition of Space (U)

This dichotomy arises because the budget planning cycle begins each year in January with the issuance of the Program Call which is applicable to the fiscal year beginning 21 months later. Thus, budget planning for Fiscal Year 1978 and out years had to assume that the \$935,000 originally appropriated would automatically be required in succeeding fiscal years, and this sum was merely added to the aggregate SLUC payment base cost column in FY 1978 and subsequent submissions.

e. The crux of the matter is outlined in an Office of General Counsel (OGC) memorandum of 17 March 1978 (see Attachment 9) wherein OGC advised that if it can be shown that monies in excess of \$500,000 were appropriated for a specific purpose, the requirements imposed by the Public Buildings Act no longer pertain. Such a legal determination will allow the appropriate agency official to so certify in writing to the requesting agency, GSA in this instance, thus avoiding the requirement for a prospectus. Because the Federal Buildings Fund was established under an amendment to the Public Buildings Act and to avoid any appearance of misleading Congress, or GSA acting as our agent, it is appropriate to notify the Chairmen of the respective Appropriations Committees of the Agency's position and intent. A similar course of action was followed in May of 1978 regarding Project SAFE and other pressing construction requirements (see Attachment 10).

3. (U) Recommendation: It is recommended that you sign and dispatch the attached letter to the Chairmen of the House and Senate Appropriations Committees.

/s/ John F. Blake

John F. Blake

Atts

Distribution:

- Orig. - Adso (w/atts)
- 1 - DDCI (w/atts)
- 1 - ER (w/atts)
- 1 - GC (w/atts)
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- 1 - Compt (w/atts)

- 2 - DDA (w/atts)✓

Originating Office:

Director of Logistics

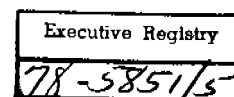
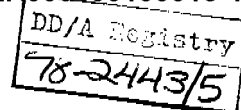
25X1A

Date

8/11/78

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Forwarding 1tr



Honorable Warren G. Magnuson, Chairman
Committee on Appropriations
United States Senate
Washington, D.C. 20510

Honorable George H. Mahon, Chairman
Committee on Appropriations
House of Representatives
Washington, D.C. 20515

Dear Mr. Chairmen:

In the process of acquiring critically needed leased space in the Metropolitan Washington Area, an issue has been raised by the General Services Administration (GSA), the resolution of which makes coordination with your Committees appropriate.

During hearings on the Agency's FY 1977 budget requests, then Director Bush explained to your Committees CIA's critical requirement for additional office space in the metropolitan area. Much of this requirement stems from the need to convert office space to machine space for computer programs, such as SAFE, ADSTAR, and CAMS which have been approved previously by your Committees. In fact, our needs are more critical now than when first explained by Director Bush because of the incessant demands of the machine and the realignment of a number of Agency functions dictated in part by the events of the past two years. Due to an Executive moratorium imposed on acquisition of space, this requirement has been carried over into each succeeding fiscal year. GSA has recently acquiesced to repeated Agency requests and has advised it is willing to proceed with the acquisition in FY 1979, such acquisition, however, being subject to the prospectus requirements established by the Public Buildings Act of 1959, as amended. Thus, the question is raised whether this acquisition should be specifically authorized by the Public Works Committees in addition to being authorized as part of the National Foreign Intelligence budget. My concern with the additional reviewing process is that all evidence indicates that preparation of the prospectus in coordination with GSA and the Office of Management and Budget, plus scheduling and completion of hearings, will delay occupancy of the space until the 1981 time frame. This delay

Honorable Warren G. Magnuson
Honorable George H. Mahon

Page 2

will, of course, have a disastrous effect on implementation of the already approved computer systems for intelligence targeting and dissemination.

It is my understanding that your Committees were fully cognizant of this requirement since it was specifically identified as a budget line item and that the sum appropriated for the acquisition remains available for expenditure without need for further authorization. With your concurrences, I intend to advise the General Services Administration that they may proceed with acquisition of approximately 85,000 square feet of leased space without the necessity for further review by the Public Works Committees.

Yours sincerely.

STANFIELD TURNER

Distribution:

Original - Addressee
1 - DCI
1 - DDCI
1 - ER
1 - GC
1 - LC
1 - Compt
2 - DDA ✓
1 - OL/RECD Official

Originating Office: James H. McDonald
James H. McDonald
Director of Logistics

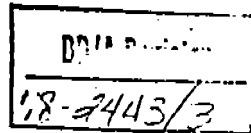
16 AUG 1978

Date

Approved

UNITED STATES OF AMERICA
Release 2002/01/24 : CIA-RDP81-00142R000100130018-1
GENERAL SERVICES ADMINISTRATION

WASHINGTON, D.C. 20405



Executive Record

78-5851

JUL 17 1978

Admiral Stansfield Turner
Director
Central Intelligence Agency
Washington, DC 20505

Dear Admiral Turner:

Thank you for your letter of June 26, 1978, regarding the Central Intelligence Agency's (CIA) space needs in the Washington metropolitan area.

As your letter indicates, the freeze on leasing space, under which we have been operating for several months, has been eased. All outstanding space requests have been studied in an effort to determine which requests are the most critical. We are now acting on those requests.

Insofar as the CIA's request of September 13, 1977, is concerned, we are in the process of preparing a prospectus for submission to the Public Works Committees of the Congress, through the Office of Management and Budget, in accordance with the provisions of the Public Buildings Act of 1959 and the Public Buildings Amendment of 1972. We must have Congressional approval prior to procuring a block of space large enough to satisfy your stipulated space needs. We will do everything possible to expedite this unfortunately time-consuming process.

In the meantime, please have the appropriate member of your staff contact Mr. Ronald Brothers, of Region 3's Space Management Division, on 472-1711, in order that we might obtain necessary information from your agency, to help us complete the prospectus.

Thank you for your cooperation in this matter.

Sincerely,

Jay Solomon

Administrator

SECRET

12 DEC 1975

Mr. Edward M. Kidwell, Director
 Space Management Division
 Office of Operating Programs
 General Services Administration
 Washington, DC 20435

Dear Mr. Kidwell:

Please refer to our letter of 3 April 1975 in which we advised you that the space offered to this Agency by the General Services Administration (GSA) in the [REDACTED] Building, [REDACTED] was acceptable and we requested that GSA take the necessary action to negotiate a lease for the second and third floors. In the same letter, we requested that we be notified as to the availability of the first floor of this building and the separate warehouse/office building situated at the same location.

The purpose of this letter is to request that GSA take the necessary action to lease approximately 98,000 square feet of space at the [REDACTED] site: 53,000 square feet in the main building (first floor), and 35,000 square feet in the warehouse/office building. Of the 53,000 square feet in the main building, approximately 13,000 square feet is cafeteria and lobby with resultant net usable office space of 35,000 square feet and a total net usable space of approximately 70,000 square feet. We also request that the total parking area, [REDACTED] spaces which are presently occupied by [REDACTED] be included in the lease for a total of [REDACTED] spaces. The enclosed Standard Form 31 sets forth our minimum requirements. Our justification for the acquisition of the remainder of the [REDACTED] Building follows:

a. This acquisition is necessary to provide sufficient space to meet Agency immediate and short-term requirements in the Washington Metropolitan Area and does not provide space for the replacement of the Magazine Building, which was accomplished by the acquisition of the second and third floors of the [REDACTED] Building.

b. Acquisition of the remainder of these buildings will relieve our Headquarters Building of over-crowded conditions

WARNING NOTICE
 SENSITIVE INTELLIGENCE SOURCES
 AND METHODS INVOLVED

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CLASSIFIED BY 029557
 EXEMPT FROM GENERAL DECLASSIFICATION
 SCHEDULE OF E.O. 11652, EXEMPTION CATEGORY:
 § 2001, (C) (1) or (1) Exempt from automatic
 DECLASSIFICATION
 EXEMPTED

(2)

Mr. Edward M. Kinnell

SECRET

(see enclosure 1 for space utilization figures). Some components of the Agency with common functions in the Headquarters Building are widely dispersed and fragmented over several floors. By relocating some elements to the newly acquired space, we will have greater flexibility to consolidate common functions or elements. Our present and projected space requirements in the Headquarters Building, to support approved new projects or component expansions, will require a total of 60,000 square feet of space through FY 78.

c. In addition to external consolidation of components, the collateral benefits of acquisition of the totals of both buildings are:

- (1) A greater degree of security control would be permitted by sole occupancy.
- (2) Maximum utilization of the secure communication system presently being installed in the [REDACTED] Building would result.
- (3) Agency surface transportation between the Headquarters, [REDACTED] and other buildings in the McLean [REDACTED] area could be more efficiently utilized.

To recapitulate, the problems of overcrowding and being able to meet the requirements of approved new projects can only be resolved by relocating personnel from the Headquarters Building to other space.

We would appreciate it if you would keep us advised of your negotiations and wish to express our thanks for all your endeavors in our behalf.

Sincerely,

[REDACTED]

Chief
Real Estate and Construction Division, OL

Encs

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REQUEST FOR SPACE

Submit this form in triplicate. Approved for Release 2002/01/24 : CIA-RDP81-00142R000100130018-1 in which the requested space is located.

1. DATE OF REQUEST 10 December 1975	2. AGENCY REQUEST NUMBER RE-26-76	3. REQUESTING DEPARTMENT OR AGENCY Central Intelligence Agency
4. ADDRESS OF REQUESTING DEPARTMENT OR AGENCY Washington, DC		5. SPACE REQUESTED AT (Give city and State) [REDACTED] STATINT
Check applicable box below. IF NO GOVERNMENT CONTROLLED SPACE IS AVAILABLE REQUESTING AGENCY <input type="checkbox"/> WILL ACQUIRE NEEDED SPACE UNDER ITS ACQUISITION AUTHORITY <input checked="" type="checkbox"/> WISHES GSA TO PROCEED WITH ACQUISITION OF REQUESTED SPACE		6. SPACE TO BE OCCUPIED BY (Bureau, division, branch, etc.) Division

7. TO: **Mr. Edward M. Kidwell, Director
Space Management Division, Office of Operating Programs
General Services Administration
Washington, DC 20405**

8. ARE FUNDS AVAILABLE FOR REIMBURSEMENT FOR RENT AND/OR SERVICES? <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	10. TERM OF OCCUPANCY FROM: _____, 19____ TO: <input checked="" type="checkbox"/> INDEFINITE <input type="checkbox"/> _____, 19____
---	--

9. TYPE OF REQUEST (Check one) <input checked="" type="checkbox"/> NEW <input type="checkbox"/> RENEWAL <input type="checkbox"/> SUPPLEMENTARY AGREEMENT	11. TYPE OF SPACE DESIRED <input checked="" type="checkbox"/> GENERAL PURPOSE <input checked="" type="checkbox"/> SPECIAL PURPOSE <input type="checkbox"/> LAND
---	--

12. EMPLOYEES TO OCCUPY SPACE							
A. OFFICE EMPLOYEES	GROUP				B. NON OFFICE EMPLOYEES	TOTAL ALL EMPLOYEES	
	1	2	3	TOTAL IN OFFICE SPACE			
	GS 1-6	GS 7-11	GS 12 & ABOVE				
NUMBER						See 15 below	
Do not use this space							
13.	SPACE DETAILS	A. OFFICE	B. FILES	C. STORAGE OR WAREHOUSE	D. OTHER (Explain in Remarks)	F. TOTAL	E. LAND REQUIRED (In Sq. Ft. or Acres)
	SQUARE FEET					80,000	

14. FACILITIES NEEDED AND SPECIAL REQUIREMENTS (Furnish detailed information; attach additional sheet if necessary) Plans and specifications for alterations and special requirements will be funded	15. JUSTIFICATION FOR SPACE REQUESTED (Continue on reverse if necessary) See attached memo
--	--

16. REMARKS (Continue on reverse if necessary)
Personnel figures can be provided to cleared GSA contract officer if necessary.

17. I certify that the space requested above is necessary for the proper functioning of the agency named	
NAME OF AUTHORIZED REQUESTING OFFICIAL (Typed) [REDACTED]	SIGNATURE OF AUTHORIZED REQUESTING OFFICIAL [REDACTED] STATINTL
TITLE Chief, Real Estate and Construction Div.	
ACTION BY GENERAL SERVICES ADMINISTRATION	
NAME OF AUTHORIZED OFFICIAL (Typed)	
TITLE	DATE
SIGNATURE OF AUTHORIZED OFFICIAL	
<input type="checkbox"/> SPACE OFFERED FOR REVIEW (See attached statement or report) <input type="checkbox"/> NO GOVERNMENT-CONTROLLED SPACE IS AVAILABLE: <input type="checkbox"/> AGENCY MAY PROCEED WITH ACQUISITION UNDER ITS ACQUISITION AUTHORITY. <input type="checkbox"/> GSA IS PROCEEDING TO ACQUIRE SPACE REQUESTED.	

ROUTING AND RECORD SHEET

SUBJECT: (Optional)

Impact of Public Buildings Act (Prospectus) on Acquisition of Space (U)

FROM:		EXTENSION	NO.
John F. Blake Deputy Director for Administration			
		DATE	16 AUG 1978
TO: (Officer designation, room number, and building)	DATE	OFFICER'S INITIALS	COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)
	RECEIVED	FORWARDED	
1. General Counsel 7D07 Hqs			<p>To #9:</p> <p>Sir:</p> <p>While some of this language may be tortuous and extremely detailed, it is necessary for the record that we establish a clear audit trail that, in fact, this cost element was included in our congressional budget submission, and Congress knowingly acted upon it. The rationale for this has been established in the Office of General Counsel opinion covering a similar certification given for the SAFE/ADSTAR systems.</p> <p>/s/ Jack Blake John F. Blake</p>
2.			
3. Legislative Counsel 6C19 Hqs			
4.			
5. Comptroller 4E06			
6.			
7. Deputy Director of Central Intelligence			
8.			
9. Director of Central Intelligence			
10.			
11.			
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